

ASSEMBLY BILL

No. 2304

Introduced by Assembly Member Logue

February 21, 2014

An act to amend Section 127340 of the Health and Safety Code, relating to public health.

LEGISLATIVE COUNSEL'S DIGEST

AB 2304, as introduced, Logue. Private nonprofit hospitals: community benefits.

Existing law requires private not-for-profit hospitals to, among other things, adopt and update a community benefits plan for providing community benefits either alone, in conjunction with other health care providers, or through other organizational arrangements. Existing law makes certain findings and declarations regarding the social obligation of private not-for-profit hospitals to provide community benefits in the public interest.

This bill would make a technical, nonsubstantive change to those findings and declarations.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 127340 of the Health and Safety Code
- 2 is amended to read:
- 3 127340. The Legislature finds and declares all of the following:
- 4 (a) Private not-for-profit hospitals meet certain needs of their
- 5 communities ~~through the provision of~~ *by providing* essential health

1 care and other services. Public recognition of their unique status
2 has led to favorable tax treatment by the government. In exchange,
3 nonprofit hospitals assume a social obligation to provide
4 community benefits in the public interest.

5 (b) Hospitals and the environment in which they operate have
6 undergone dramatic changes. The pace of change will accelerate
7 in response to health care reform. In light of this, significant public
8 benefit would be derived if private not-for-profit hospitals reviewed
9 and reaffirmed periodically their commitment to assist in meeting
10 their communities' health care needs by identifying and
11 documenting benefits provided to the communities which they
12 serve.

13 (c) California's private not-for-profit hospitals provide a wide
14 range of benefits to their communities in addition to those reflected
15 in the financial data reported to the state.

16 (d) Unreported community benefits that are often provided but
17 not otherwise reported include, but are not limited to, all of the
18 following:

- 19 (1) Community-oriented wellness and health promotion.
- 20 (2) Prevention services, including, but not limited to, health
21 screening, immunizations, school examinations, and disease
22 counseling and education.
- 23 (3) Adult day care.
- 24 (4) Child care.
- 25 (5) Medical research.
- 26 (6) Medical education.
- 27 (7) Nursing and other professional training.
- 28 (8) Home-delivered meals to the homebound.
- 29 (9) Sponsorship of free food, shelter, and clothing to the
30 homeless.
- 31 (10) Outreach clinics in socioeconomically depressed areas.

32 (e) Direct provision of goods and services, as well as preventive
33 programs, should be emphasized by hospitals in the development
34 of community benefit plans.